Regulation (39-) 29-105(1)(a).

Section 39-22-505, C.R.S. 1973, regarding a tax on the gross income from oil and gas production for income tax is repealed as of January 1, 1978. This Section 39-29-105 provides a tax on the severance of crude oil, natural gas, and oil and gas within this state. This tax is levied in addition to all other taxes. Gross income from oil wells which produce ten barrels or less of crude oil per day for the average of all producing days during the taxable year or taxable period is exempt from this tax. No exemption is allowed for gas measured by cubic feet.

A barrel for this purpose means forty-two U.S. gallons at sixty degrees fahrenheit at atmospheric pressure.

The tax is levied on the gross income from crude oil, natural gas, and oil and gas. Payment of the tax is the responsibility of the recipient of the gross income. See Section 39-29-102(3)(a).

Regulation (39)-29-105(1)(b).

On or after January 1, 2000, oil produced from any well that produces fifteen (15) barrels per day or less of oil, and gas produced from wells that produce ninety thousand cubic feet or less of gas per day, for the average of all producing days for such oil and gas production during the taxable year, shall be exempt from the tax imposed by C.R.S. 39-29-105(1)(b).